

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Public Works *LEB*

BOARD AGENDA # *C-1

Urgent

Routine

AGENDA DATE May 17, 2011

CEO Concurs with Recommendation YES NO

4/5 Vote Required YES NO

(Information Attached)

SUBJECT:

Approval to Initiate Proceedings for the Formation of County Service Area (CSA) No. 29 Bangs Summit and the Dissolution of CSA No. 20 Summit

STAFF RECOMMENDATIONS:

1. Approve the initiation of proceedings for the formation of County Service Area (CSA) No. 29 Bangs Summit and the dissolution of CSA No. 20 Summit.
2. Direct the Public Works Department to prepare and file the required Engineer's Report.
3. Authorize the use of up to \$6,000 of Community Development Funds for initial start up costs associated with the formation of CSA No. 29 Bangs Summit.
4. Direct the Auditor-Controller to make the necessary budget adjustments as detailed on the Budget Journal Form.

FISCAL IMPACT:

Upon voter approval the ongoing operation and maintenance costs of the service area will be borne by the Bangs Summit CSA No. 29 through annual assessments estimated to generate a total of approximately \$17,277. The funds will be used for ongoing operating and maintenance for the CSA's storm water drainage system. This will include basin maintenance, catch basin maintenance and street sweeping to prevent debris from entering the system. The creation of the CSA will serve the public where businesses, employees, and customers are free from concerns over storm water runoff, flooding and property damage, and roadway hazards and restrictions.

(Continued on Page 2)

BOARD ACTION AS FOLLOWS:

No. 2011-294

On motion of Supervisor O'Brien, Seconded by Supervisor Chiesa

and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Withrow, DeMartini, and Chairman Monteith

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) _____ Denied

3) _____ Approved as amended

4) _____ Other:

MOTION:

ATTEST:

Christine Ferraro
CHRISTINE FERRARO TALLMAN, Clerk

File No. **CSA-20-3**
CSA-29-1

Approval to Initiate Proceedings for the Formation of County Service Area (CSA) No. 29 Bangs Summit and the Dissolution of CSA No. 20 Summit

FISCAL IMPACT (Continued):

One time costs estimated at \$10,000, associated with the creation of the CSA will be covered by the Public Works Department that includes staff project time for the ballot procedure, Engineer's Report, and public meetings. It is recommended that the Community Development Fund cover one time start up costs for Local Agency Formation Committee (LAFCO) fees of \$4,000 and State Board of Equalization fees of \$2,000. This is consistent with Stanislaus County's goal of providing funding for "one-time projects or programs benefiting the unincorporated area that demonstrates strong local support and commitment, and a general public benefit".

The Community Development Fund was established by the Board of Supervisors at \$1.5 million as part of the Final Budget during Fiscal Year 2007-2008. To date, eleven projects have been awarded funding from this source; the North Martin Luther King Jr. Drive Sidewalk Project (\$12,431), the Countywide Growth Management Strategy (\$100,000), the Keyes Sidewalk Incentive Program (\$60,000), the Marshall Avenue Lighting District (\$3,200), the Empire County Service Area No. 27 Formation (\$5,000), the Airport Neighborhood Cleanup Event (\$5,000), the Keyes Community Services District Street Light Program (\$42,000), the Grayson County Service Area No. 28 Formation (\$10,000), Crows Landing Community Services District Water Meter Project (\$3,000), the Parklawn Neighborhood Sewer Advisory Measure (\$16,500) and the Airport Alley Lighting District Project (\$5,600). The current uncommitted balance in the Community Development Fund is \$1,237,269. If the use of Community Development Funds for the County Service Area No. 29 Bangs Summit is approved, the uncommitted balance would be \$1,231,269, not including interest earnings. If property owners do not approve the formation of CSA No. 29 Bangs Summit, the expenditure from the Community Development Fund will not occur.

CSA No. 20 Summit is recommended to be dissolved and its territory and property owners will become part of the new CSA if this proposal is approved. Funds from CSA No. 20 Summit assessments for Fiscal Year 2010-2011 are expected to be \$6,383. The funds are being used to cover the operating and maintenance costs of Summit's storm water drainage system. Once this CSA is dissolved, any remaining fund balance will be transferred to the new CSA but will only be utilized to lower assessments for the former Summit properties.

DISCUSSION:

The formation of CSA No. 29 Bangs Summit (CSA No. 29) is being proposed to provide funding for the ongoing operation and maintenance of the area's storm drainage system. The intended goals in establishing this CSA are threefold. 1) Include the Bangs Industrial Area to fund preventative maintenance for their fair share of the benefit of the storm water drainage systems. 2) Dissolve CSA No. 20 Summit and include its territory in the formation of the new CSA. 3) Obtain economies of scale through the creation of a larger service area by combining the Bangs Industrial area with the Summit area.

Approval to Initiate Proceedings for the Formation of County Service Area (CSA) No. 29 Bangs Summit and the Dissolution of CSA No. 20 Summit

The recommended boundary of the service area can be found on Attachment "A". As it is proposed, the area would consist of 38 parcels on 35.98 acres in the Summit Business Park and 54 parcels on 88.72 acres within the Bangs Industrial Park. Total combined for the service area is 92 parcels on 124.7 acres.

The Bangs Industrial Park area around Glass Court and Glass Lane has experienced some backup, flooding, and poor drainage conditions during periods of heavy storm water runoff. The Bangs Industrial Park area has a storm drainage system that operates poorly due to the original design, requiring extraordinary annual effort to maintain. Public Works has developed a capital improvement project to remedy this ongoing drainage problem. The improvements include excavating the basin for greater holding capacity and improving its trench drains for better ground percolation. Total cost of improvements is estimated at \$46,390 and will be covered by the Public Works Department. This investment would alleviate the need for recurring annual costs currently borne by Stanislaus County Public Works to pump the basin and mitigate the potential for flooding. Once improvements are completed there will be a need for ongoing maintenance of the entire drainage system (basin, catch basins, curbs & gutters, and street sweeping). The cost of ongoing maintenance will be the responsibility of the benefiting parcels within the new CSA. Without the capital improvements and ongoing maintenance flooding will continue, restricting access to private lands, damaging those lands, and creating roadway hazards.

CSA No. 20 Summit was formed in 2003 to provide storm drainage control for the Summit Corporate Center industrial subdivision. The boundary of CSA No. 20 can generally be described as approximately 450 feet west of McHenry Avenue and bounded on the North by Bangs Avenue, on the West by the Union Pacific Railroad, and on the south by Modesto Irrigation Lateral Canal No. 6 and Pelandale Avenue. The area can also be identified on Attachment "A" which is a map of the existing and proposed service areas. Dissolving CSA No. 20 Summit and combining its territory with the Bangs Industrial Park area to form a new County Service Area will provide the opportunity for economies of scale and the utilization of an assessment formula that accounts for the difference in storm water runoff between a developed and undeveloped parcel. The 2010-2011 Summit assessment was \$177.51 per acre to fund the operation and maintenance of the area's storm water drainage system. However, that assessment formula assumed a non-developed parcel produces the same amount of runoff as a developed parcel with a building and paved parking lot. The new formula proposes a lower assessment level for undeveloped properties as compared to developed properties.

The services that would be provided by the Stanislaus County Public Works Department for CSA No. 29 include the operation and maintenance of the area's storm water drainage system. The storm water drainage system includes 2 storm drain basins, 12 trench drains, 45 catch basins/drop inlets, and curbs and gutters in the service area. Periodic street sweeping will also be provided as a preventative measure.

Approval to Initiate Proceedings for the Formation of County Service Area (CSA) No. 29 Bangs Summit and the Dissolution of CSA No. 20 Summit

To form the new CSA and dissolve the existing one requires a multiple step process as outlined below with approximate timelines:

- Discussion: April 2011 began discussions with LAFCO regarding the County's intent to form CSA No. 29 Bangs Summit and dissolve CSA No. 20 Summit.
- Initiate Proceedings - May 2011: The Board of Supervisors initiates proceedings for the formation of CSA No. 29 Bangs Summit and dissolution of CSA No. 20 Summit.
- Engineer's Report - May 2011: An Engineer's Report is prepared by the Public Works Department to describe the proposed improvements and services, provide a legal description and map of service area, and to propose a methodology for allocating costs to benefiting parcels.
- Set Public Hearing Date - May 2011: The Board of Supervisors accepts the Engineer's Report, sets a public hearing date to consider the formation of the CSA and levying an annual assessment approves an assessment ballot procedure in compliance with Proposition 218, and directs the Clerk of the Board to notify LAFCO.
- Assessment Ballot & Notice of Public Hearing - May 2011: An Assessment Ballot and Notice of Public Hearing are mailed by the Public Works Department to affected landowners 45 days prior to the public hearing.
- Public Notice - July 2011: The Public Works Department and the Clerk of the Board publish a public announcement of the date and time of the public hearing in a local newspaper.
- Public Hearing - July 2011: A public hearing conducted by the Board of Supervisors whereby the public is given opportunity to comment on the proposal.
- Votes Counted - July 2011: After the close of the public hearing the Clerk of the Board opens, counts, and tallies the results and then reports them to the Board of Supervisors.
- Adopt Results - July 2011: If the ballot procedure to form the district fails, the matter will be closed. If approved, the Board of Supervisors may adopt a Resolution of Application ordering the formation of CSA No. 29 Bangs Summit and the dissolution of CSA No. 20 Summit, directing the Public Works Department to file an application with Stanislaus County LAFCO, per Government Code section 56652, Consent to Waiver of Conducting Authority proceeding for the formation of CSA No. 29 and the dissolution of CSA No. 20.
- LAFCO Reviews - August 2011: Approval of the application by LAFCO is required in order for the CSA to be formed.

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- Certificate of Completion - August 2011: Upon approval by LAFCO for the formation of CSA No. 29 and the dissolution of CSA No. 20, LAFCO files a Certificate of Completion with the County Clerk Recorder's Office and once recorded, sends a copy to the State Board of Equalization.

On November 10, 2010 a public outreach meeting was held to seek input regarding this proposal from owners of property located within the proposed service area. Turnout was light with only 12 people attending; not enough to determine the degree of property owner support. Therefore, the decision was made to move forward with formal proceedings, which will require a Proposition 218 assessment ballot procedure. If the ballot procedure to form the CSA fails, the matter will be closed. If approved, CSA No. 29 will be formed and CSA No. 20 will be dissolved at the end of July 2011. Assessments for the new CSA are planned to take effect in Budget Year 2011-2012.

POLICY ISSUES:

State of California Government Code sections 25210 thru 25338 authorizes the County's Board of Supervisors to be the governing body for CSA's within their county.

This action is consistent with the Board's policy of providing A Safe Community and A Well Planned Infrastructure System by commencing the formal process to bring a proposal before the property owners to enhance the level of service provided.

STAFFING IMPACT:

Staffing impact will be limited to the time required to prepare Board reports and their supporting materials, conduct the ballot procedure, and coordinate the project with the LAFCO.

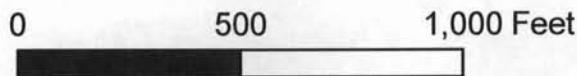
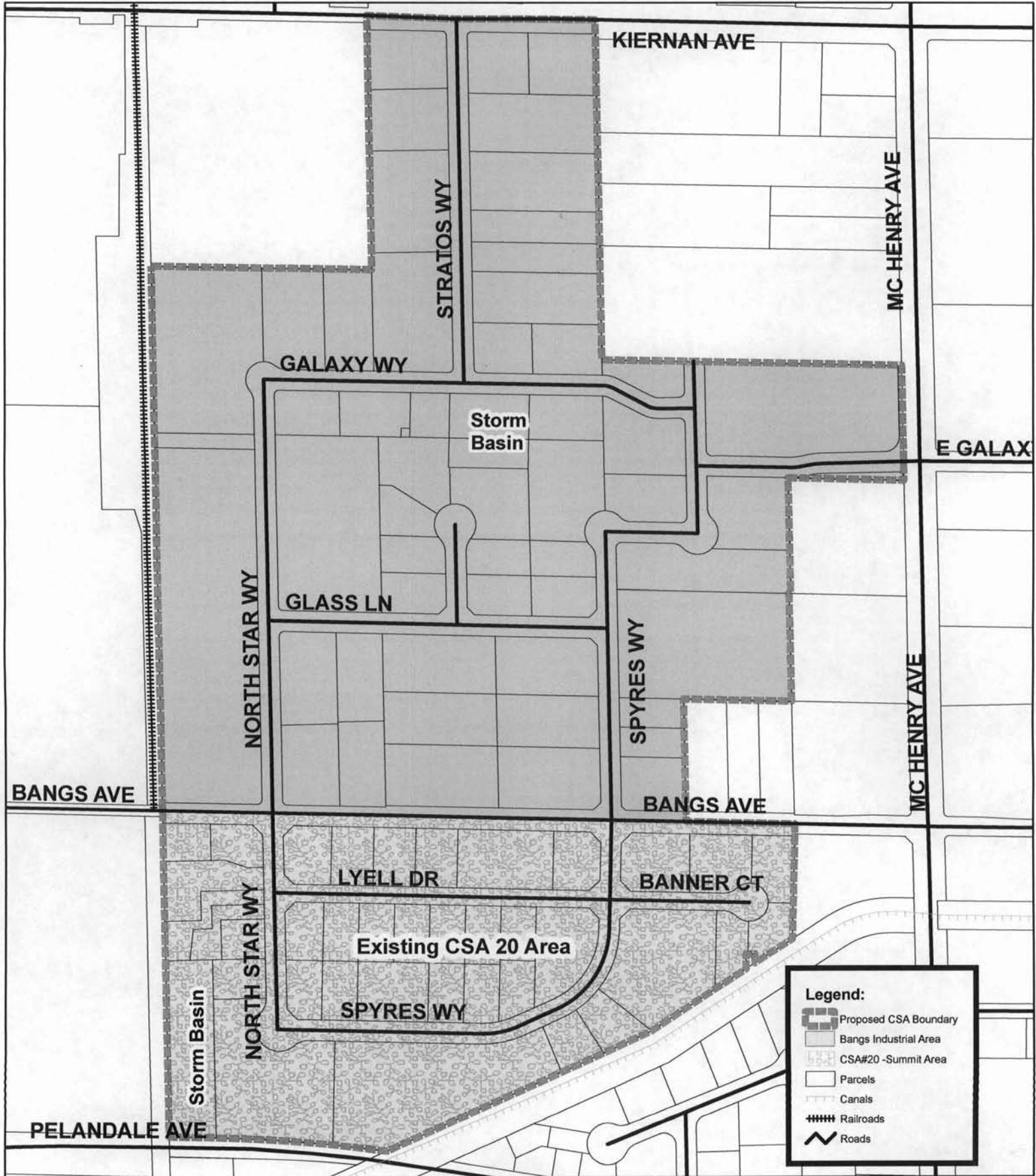
CONTACT PERSON:

Mike Wilson, Senior Engineering Technician, Stanislaus County Public Works. Telephone (209) 525-4190.

MW:lc

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Proposed Bangs-Summit County Service Area



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BOARD OF SUPERVISORS ✓

2011 MAY 17 P 4: 19
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May 17, 2011

Chairman Monteith and Supervisors
Stanislaus County Board of Supervisors
1010 Tenth Street, Suite 6700
Modesto, CA 95354

Via Hand Delivery

Re: **May 17, 2011 Board Agenda Item No. C-1**

Chairman and Supervisors:

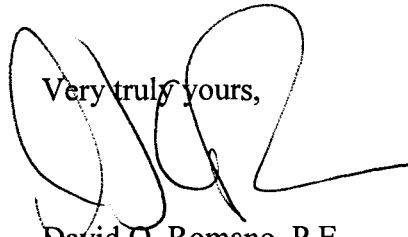
This letter is written on behalf of Berberian Properties, LLC ("Berberian"). Berberian is the developer of the Summit Corporate Center which is coterminous with County Service Area ("CSA") No. 20. Berberian is also the largest landowner within CSA No. 20. With this letter, Berberian desires to express its concern regarding the dissolution of CSA No. 20 and the proposed creation of a new CSA No. 29 to provide storm drainage services to the Summit Corporate Center.

In the way of background, in 2001 Berberian received approval from the County for Planned Industrial zoning (PI(24)) and development of approximately 44 acres on the south side of Bangs Avenue. PI(24) became the Summit Corporate Center, which was designed and constructed to be a high quality, employment generating, planned industrial business park. An owners' association was established, and design standards put in place, to mandate high quality architecture within the Summit Corporate Center. High quality landscaping standards were also implemented throughout the development. Berberian designed and constructed the Summit Corporate Center to County standards, including the storm drain basin and collection system. Over the years, the storm drain system has worked well, and we do not see a reason to change this fact. While there may be storm drainage issues north of Bangs Avenue, those are not a problem for the Summit Corporate Center or CSA No. 20.

We have been informed that this evening the Board is only directing Public Works staff to prepare an Engineer's Report which will assist in understanding what is proposed relative to these CSAs, and what would likely be the end result if CSA No. 20 was dissolved and a new and larger CSA No. 29 was put into place. If the Board's action this evening is nothing more than direction to staff to compile additional information, then we will listen with an open mind.

Chairman Monteith and Supervisors
Stanislaus County Board of Supervisors
May 17, 2011
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We are concerned that the Agenda Item uses some specific terms such as “approval to initiate proceedings for the formation of County Service Area (CSA) No. 29 Bangs Summit and the dissolution of CSA No. 20 Summit.” These sound more like terms of art, and if the Board is adopting any type of resolution, mandated under the CSA statutes, as a step to dissolve CSA No. 20 and begin the formation of CSA No. 29, then we must object. Such a step, if it is proposed, should only occur after all information regarding the costs, benefits and operation of the modified CSA are known and shared with the landowners.

Very truly yours,

David O. Romano, P.E.

DOR:lma

cc: Berberian Properties, LLC
The Summit Corporate Center Owners' Association
Matt Machado, Director, Stanislaus County Public Works